GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3052
ANSWERED ON:08.12.2000
CBI ENQUIRY IN JVG COMPANY
BHAWANA GAWALI (PATIL)

Will the Minister of FINANCE be pleased to state:

(a) whether the C.B.I. is investigating into the matter of the JVG company and its products;

(b) if so, the present status of the enquiry;

(c) whether the money duped from the small investors has been recovered;

(d) if so, the details thereof; and

(e) if not, the reasons therefor and the time by which the money would be refunded to the investors ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a) & (b) :- The Reserve Bank of India (RBI) has reported that three Non-Banking Finance Companies (NBFCs) in the JVG Group viz JVG Finance Limited, JVG Leasing Limited and JVG Securities Limited have accepted large deposits of money from public and defaulted in repaying as per the terms of the relative agreement. CBI is investigating into the matter.

(c), (d) & (e) :- The financial position of the company was considered as unsatisfactory by the RBI and the company was taken up for winding up. In response to the winding up petition filed by the RBI, the Hon`ble High Court of Delhi has appointed the Official Liquidator attached to the Court as the Provisional Liquidator for these companies.The repayment to depositors is contingent on the liquidation process.